

From Colony to Corporation

The Fairhope Single Tax Colony's Transfer of
Public Facilities

Laurence McDuff
December 2, 1988
Prof. Paul Gaston

In 1894, a group of Iowans met in Des Moines to formulate plans for establishing an experimental colony which would demonstrate Henry George's single tax theory.¹ The national economy of the late nineteenth century had waned; depressions, poverty, and unemployment were becoming normal features of American life. George, a writer and economist of the era, saw America as a land of extreme natural wealth, with more than enough resources for all to prosper. While the logical result of all this wealth should have been a country in which everyone was content, actual conditions were different. Private fortunes existed side by side with hunger and unemployment. Monopolies of both land and labor kept opportunity away from the hands of many. How could there be such poverty amid such abundance?²

Henry George felt the root of the problem was land usage. Land speculation was a common practice; while people who needed land to live and work could not obtain it, vast quantities of land remained unused, its owners waiting for the price to rise before they would sell it. George advocated shifting all taxes on labor and production to a single tax on the value of land.³ By imposing a tax on all land, the country would make speculation and monopolies unprofitable. Land would become available to all

¹ Minutes, Fairhope Industrial Association (FIA), January 4, 1894.

² Henry George, Progress and Poverty (New York: Robert Schalkenbach Foundation, 1929), from "How the Book Came to be Written", by Henry George, Jr., pp. IX-X.

³ Ibid., p. XV.

who needed it, ending the widespread unemployment and poverty. The revenue from the single tax, argued George, would not only be great enough to finance the entire government, it would also finance major public improvements:

We could establish public baths, museums, libraries, gardens, lecture rooms, music and dancing halls, theaters, universities, technical schools, shooting galleries, play grounds, gymnasiums, etc. Heat, light, and motive power, as well as water, might be conducted through our streets at public expense; our roads be lined with fruit trees...⁴

The group from Iowa agreed with George and sought to establish a model community which would adhere to the single tax principles and demonstrate the quality of life such a system of taxation could produce.

Soon after the first meeting of the Fairhope Industrial Association on January 4, 1894, papers of incorporation were filed. A leading figure in the group was Ernest B. Gaston, a newspaperman who had been searching for a way to establish a cooperative community and had originated the idea of a colony named "Fairhope".⁵ With single taxers, he found a group ready to undertake such an endeavor, and years of planning could now be put into action. The group drafted a constitution, recruited members, and sent a search committee to look for a suitable place to locate the colony.⁶ After spending two months in several

⁴ George, Progress and Poverty, p. 456.

⁵ Paul E. and Blanche R. Alyea, Fairhope, 1894-1954 (New York: AMS Press, 1979), p. 11.

⁶ Minutes, FIA, May 18, 1894.

southern states, the committee reported its findings and the membership voted to locate at a site on the eastern shore of Mobile Bay, in Baldwin County, Alabama.⁷ The association purchased land and readied the membership for the move to Fairhope, which occurred in November of 1894.⁸ Unknown to the colonists, the site they chose was the previous location of Tristan de Luna's colonization attempt in 1559, the first European settlement in North America.⁹ Hoping to institute a social and economic change equal in magnitude but opposite the direction of the changes European colonization brought about, the colony started at an appropriate location.

By 1907 the group had established a successful community at Fairhope. Although its land was not centrally located, the Fairhope Single Tax Corporation, which had succeeded the Fairhope Industrial Association in 1904, owned 4000 acres which it leased to tenants and in return paid their state taxes, spending the remaining money in the rent fund to create and improve public facilities.¹⁰ As Henry George predicted, the facilities the colony provided created a better living environment. The colony maintained wide streets and sidewalks throughout the town. Since Fairhope was accessible only by boat, the colony owned and

⁷ Fairhope Courier, October 1, 1894.

⁸ Ibid., December 1, 1894.

⁹ Hatchett Chandler, Little Gems from Fort Morgan (Boston: The Christopher Publishing House, 1964), pp. 333-337.

¹⁰ Alyea, Fairhope, p. 84.

operated a pier and a steamer to Mobile. Fairhope had a waterworks system which provided the public with a fresh water supply. Free schooling was available to the single taxers, as well as a respectable public library. Telephone lines were financed by the colony. The single tax even provided tenants with a public cemetery. The entire community used meeting houses and public bath houses financed through the colony rent funds. Perhaps most impressively, the colony reserved its most valuable land, the beachfront along the bay and the high bluffs above it, for use by the public. These parks and beaches were the community's common playground, enjoyed by all.¹¹

The Fairhope Industrial Association's model of the single tax theory was working successfully. The true value of the land was collected from its users in a single tax, regardless of the improvements on the land. The revenue paid the state taxes of the tenants, but the corporation gave the remaining money to the community rather than to the individual owner. Since the community created the inherent value of the land, that value was repaid in the form of public improvements and facilities.¹² The most visible success sign of the single tax was the abundant public facilities.

Although the plan of establishing a model community had been followed by the colonists and a good demonstration of the single tax was available to the rest of the nation, the country did not

¹¹ Courier, July 26, 1907.

¹² Alyea, Fairhope, p. 70.

embrace the single tax as the key to improving the economy. In fact, Fairhope did not even succeed in changing Baldwin County's method of taxation. While some colonists blamed the inability to control outside monopolies and other conditions for the slight interest in the colony, most members were pleased with the situation.¹³ A major goal of E. B. Gaston and the Fairhope plan was to establish a utopian community. The Iowans who migrated to Fairhope believed Henry George's theory and hoped others would, as well. But the appealing part was the model community George felt the tax would create. While others were not converted to the single tax, the Fairhoppers were pleased with the model community the tax had built.

E. B. Gaston had been fascinated with reform communities well before he formulated the Fairhope venture. He was convinced that the social and economic problems of the era were a result of incessant competition and the failure of people to cooperate constructively. Gaston studied many separate model colonies which developed in the period. He read about the Kaweah colony in California and the Credit Foncier community in Topolobampo, Mexico, and became sure that the key to prosperity for everyone was a more socialistic approach toward life.¹⁴ While he did not want a community to take away the individual rights of a person, he knew that cooperation between fellow men was necessary to

¹³ Courier, August 9, 1907.

¹⁴ Paul M. Gaston, Women of Fair Hope (Athens; The University of Georgia Press, 1984), p. 5.

improve the country's condition; Gaston coined the phrase "Cooperative Individualism" as the model way for a colony to exist.¹⁵

One book Gaston read and admired was Edward Bellamy's Looking Backward, the story of a man who is transported into the future, from 1887 to 2000. Bellamy depicted a world where cooperative individualism was at a maximum. All citizens worked for the good of the entire society rather than for themselves. Production was higher than in 1887 because everyone was employed, but benefits were shared equally. Because the public shared the general wealth, cities were beautified and improved, libraries and schools were available to everyone, and a peaceful order prevailed.¹⁶ Gaston planned to build such a community himself, where one worked for the good of the group and prospered according to the group's prosperity. He formulated a plan for the colony, calling it the National Cooperative Company, and began gathering information on land in Lake Charles, Louisiana, to locate the new community.¹⁷ While working on the colony, James Bellangee, the president of the Des Moines Single Tax Club, suggested the colony be organized to implement the single tax.¹⁸

¹⁵ E. B. Gaston, "True Co-operative Individualism: An Argument on the plan of the Fairhope Industrial Association," Liberty Bell, April 28, 1894.

¹⁶ Edward Bellamy, Looking Backward (New York: Houghton Mifflin Company, 1917), p. 42.

¹⁷ S. A. Knapp to E. B. Gaston, July 29, 1890. Fairhope Single Tax Colony Archives.

¹⁸ Alyea, Fairhope, pp. 11-12.

While Gaston was a member of the Single Tax Club, he was most interested in forming a cooperative colony. He knew the single tax feature would aid the colony, but promoting George's theory was not his primary goal. A utopian community, where a spirit of mutual prosperity and cooperative effort abounded, was the future E.B. Gaston saw for Fairhope.

The hope of a model community is emphasized in the Fairhope Industrial Association's constitution. "Its purpose shall be to establish and conduct a model community or colony, free from all forms of private monopoly, and to secure to its members therein, equality of opportunity, the full reward of individual efforts, and the benefits of co-operation in the matters of general concern."¹⁹ The members of the association read this constitution and supported its emphasis on the communitarian aspect of the demonstration. Establishing a colony was a primary concern of the association. The colonists intended internal improvements to be a major feature, as the constitution spells out:

Ample provision shall be made in platting the lands of the association for land for parks and all other public purposes; and as rapidly as may be, lands thus intended shall be improved and beautified; and schools, libraries, public halls, natoriums, etc., established and maintained at the expense of the association for the free use and enjoyment of the members and their families.²⁰

Fairhope, as the original colonists intended it to be, was a community of common assets; the public facilities that the single

¹⁹ Fairhope Industrial Association Constitution, Article II. (Constitution is printed in Alyea, Fairhope, pp. 305-312.)

²⁰ Ibid., Article XIV.

tax financed were an important and essential part of the experiment.

In 1908, an institutional change came about in Fairhope that would greatly alter the nature of the colony in years to come. Fairhope was incorporated as a municipality, completely separate from the Fairhope Single Tax Corporation.²¹ Over the next several decades, the colony transferred all of its public facilities and improvements to the municipality. Reasons for these transfers were primarily financial, but by 1935 the only original public facility the colony maintained was the library, which would be turned over to the city in 1964.²² By ending the tradition of maintaining these public institutions, the colony strayed from its original plan. The best way to show the nation the effectiveness of the single tax was to retain a community distinct from others, with superior facilities financed by the land tax. But the colony allowed the municipality to take on these functions. People began to forget who was responsible for the park lands, the pier, and the wide streets. The importance of the single tax in creating such a town was diminished; Fairhope became known as a nice community, not because of its unique taxation plan, but because of the fine public facilities the municipality maintained. By giving up the public improvements to the city, the Fairhope Single Tax Corporation gave away its

²¹ Courier, April 10, 1908.

²² Converse Harwell, Four Score Years (Fairhope: The Fairhope Single Tax Corporation, 1974), p. 17.

strongest argument for the single tax.

Paul and Blanche Alyea, in Fairhope, 1894-1954, feel the divestment of the colony's public facilities was a positive step in the single tax demonstration. The colonial features, they argue, caused the Corporation to stray from pure single tax principles in order to please the interests of the colony. By becoming uninterested in affairs other than land management, the corporation would mature, they write:

...the single tax corporation could not mature until all influences, other than a purely impersonal administration of its lands in a manner consistent with single tax principles, actually disappeared. The test of maturity suggested for this particular venture is that the colonial features must disappear entirely, leaving an impersonal corporation in the twin roles of a landholding company operating on single tax principles and an educational agency for propagating the single tax doctrine.²³

The present Fairhope Single Tax Corporation meets this test of maturity fairly well. It continues to administer its land holdings according to the single tax doctrine, and it produces literature and teaches classes on Henry George's economic philosophy. But is the value of the single tax being demonstrated to others as well as it should?

The most visible benefit of the single tax is the better community conditions and facilities it provides. If the colonists were to convince others that the single tax was the system the country should adopt, they had to produce something that was distinct from other places, something that people would want to

²³ Alyea, Fairhope, p. 203.

emulate. Fairhope's public facilities were outstanding; the single tax had, as George predicted, created a better environment.²⁴ But without the colony maintaining those facilities, the single tax is not recognized for the improvements. Not only does the nation not know of the source of Fairhope's public improvements, neither do most current residents. When students are asked, "What is the significance of the name Gaston in Fairhope's history?" they are more likely to cite the car dealership by that name than the town's single tax heritage.²⁵ Even many of those who are vaguely aware of the town's beginnings fail to understand the principles Henry George espoused. By discontinuing the colonial aspects of the experiment, the single taxers diminished the idea of the community as a utopia and slowed the promotion of the single tax, the two original goals of the venture.

The decision to incorporate the town of Fairhope was the first step in the transfer of public facilities from the single tax colony. The relationship of the colony to the other residents of Fairhope during this period explains why the majority favored incorporation. The Single Tax Corporation had always leased lands to people who were not members. A section in the constitution stated that "any services which the association may undertake to perform for its members may also be performed for non-

²⁴ Courier, July 26, 1907.

²⁵ Interview, Sam Ansell, September, 1988.

members..."²⁶ and most of the public facilities the colony provided were used freely by both non-member tenants and people who neither belonged to nor rented from the Corporation. Decisions regarding both the public facilities and rent collecting procedures affected everyone, but only the Corporation members were allowed a vote. Political problems arose when non-members felt they did not have enough say in colony matters.²⁷

One such political controversy arose in 1905. Both member and non-member lessees had disagreed with the rent appraisal methods and at the beginning of the year had petitioned the executive council of the Corporation to change its policies.²⁸ A leading figure in the Leaseholders' Protective Union was Dr. H. S. Greeno, a tenant who had applied unsuccessfully twice for membership in the Corporation. The petition implied that the executive council raised the rents every time its members wanted a salary increase. Later in the year the Union attempt to discredit the colony for using leases instead of deeds, quoting Henry George's statement that land should be "left in the private possession of individuals."²⁹ The context of George's statement was that land users should have the security of knowing their improvements on the land would always be available. The ninety-nine year lease the Single Tax Corporation used provided that

²⁶ FIA Constitution, Article XVII.

²⁷ Alyea, Fairhope, pp. 122-123.

²⁸ Minutes, FIA, January 23, 1905.

²⁹ Alyea, Fairhope, p. 127.

security. The maneuvering and complaining of the non-members was simply an expression of their desire to have a voice in the community affairs.

Although the colony was very influential in the community, most of its land was outside the area which became incorporated. Of the one and a half square miles area that was incorporated, the Corporation owned only 521 acres, and much of that was public park land.³⁰ The rest of the colony's holdings were outside the town. In fact, of the 479 families living in the Fairhope area in 1910, two years after incorporation, only 118 rented their homes.³¹ The issue of democracy was a legitimate concern of the non-members. The majority of citizens in the area were not single taxers, yet the community was run by the Single Tax Corporation.

Sentiment for municipalization came from the colony, as well. While the single tax had funded the public facilities for years, those facilities had always been a financial burden on the colony. With the majority of the residents not being members, the Single Tax Corporation felt it was unfairly bearing the entire financial load for the improvements. Incorporating a municipal government meant the town would eventually take over some of these financial commitments. The Fairhope Courier, a town paper edited by E. B. Gaston which was the organ of the single tax

³⁰ C. A. Gaston, Chronology of land acquisitions by the colony. (In Paul M. Gaston's files.)

³¹ U. S. Bureau of Commerce, Bureau of the Census, Manuscript Census, 1910, Baldwin County, Alabama, Precinct 10, pp. 1A-22A.

colony, echoed this sentiment. "Let us incorporate," it wrote. "So far as the Courier knows there is practically no opposition to incorporating Fairhope..."³² The Courier favored municipalization for the same reasons the Single Tax Corporation did: the financial burden of the improvements would gradually be lifted from the colony.

In April of 1908, voters cast ballots in favor of incorporating the town and held the election for mayor and six aldermen by June.³³ The political struggles that had helped cause incorporation continued in the town's election. A letter from A. J. Woodruff warned the colony of the arbitrary power the municipal council would have.³⁴ Concerned about this, the single tax colony urged the town to adopt a system of forcing the elected officials to follow the will of the people once elected. The citizens adopted the Winnetka plan, a system in which each candidate must "pledge himself in writing, if elected, to obey the will of the people at any time they express the same," such expression consisting of the vote of all adult persons, regardless of sex, residing in Fairhope for six months.³⁵ The colony evidently was worried the municipality would act against the Single Tax Corporation, and hoped the Winnetka plan would alleviate this possibility. Their fears had some substance, for

³² Courier, March 6, 1908.

³³ Ibid., April 10, 1908.

³⁴ Ibid., October 4, 1907.

³⁵ Minutes, FIA, May 19, 1908.

when Dr. Greeno became the first mayor of the municipality by defeating E. B. Gaston, he wrote, "I have not been and am not now in sympathy with what is known here as the 'Fairhope Plan'."³⁶

Many others feared the colony would lose prominence after the incorporation. "Fairhope will be known hereafter as a town, and the name colony will go out of use," wrote the Eastern Shore.³⁷ One consequence of incorporation was the loss of an important benefactor, Joseph Fels. The wealthy soap manufacturer from Philadelphia was an avid single taxer and had helped the colony financially for many years. He gave over two thousand acres of land to the Single Tax Corporation, helped begin the library fund, gave \$10,000 dollars to the Organic School, and helped finance the steamer and the pier. Fels hoped Fairhope would show the effectiveness of the single tax, but when the incorporation of the town occurred, his assistance ceased. "What occurs to me now is on the subject of the Corporation transferring any of the franchises to the town," he wrote Gaston.³⁸ Fels thought unconditional transfers might be fatal to the single tax demonstration, and in 1909 he decided his money could be better spent in other directions.

Despite the warnings of Fels and the others, the Fairhope Single Tax Corporation was ready to relieve itself of the costs

³⁶ Alyea, Fairhope, p. 126.

³⁷ Ibid., p. 135.

³⁸ Joseph Fels to E. B. Gaston, October 5, 1908. Colony Archives.

of some of the public facilities. The first improvements the colony sought to transfer to the town were the streets. One of the first community projects had been the construction of a road from the center of the town to the beach, and the Corporation had built and maintained roads since then. A concern of the Corporation was that the municipality might not continue the colony's policy of not granting any private franchises for public services on the conveyed streets. A plan was worked out in which the town agreed that "a policy of municipal ownership and operation shall be pursued as fast as law and custom will permit."³⁹ By September of 1909, the colony had transferred thirty-nine acres of streets to the municipality.⁴⁰ The lessened property tax and the relief from the maintenance costs made the street conveyance a welcome change for the Corporation.

One of the guarantees of the colony constitution was free schooling for members' families. Once again, the community expected the new municipality to assume this role. The Single Tax Corporation owned the school building and some felt the colony should make an outright gift of the building to the town. But members of the colony saw this as completely unfair. The Corporation had financed and maintained the school voluntarily; it was under no obligation to provide the town with a free school. The colony advocated charging the school district rent for use of the building, but the County Superintendent of Schools

³⁹ Courier, September 30, 1908.

⁴⁰ Minutes, FIA, November 3, 1909.

countered by threatening to locate the new school outside the colony, even though the majority of students enrolled lived on colony lands. If the colony wanted the school to be in a nearby location, it would have to furnish the land and building.⁴¹

Faced with this political ultimatum, the Single Tax Corporation "generously" offered the town a two-acre site and a contribution to help fund a building on the site, but the town refused, hoping to get the original building. By now the single taxers realized how much the town had grown accustomed to the colony's expenditures for internal improvements. Although the community had its municipal democracy, it still expected the colony to pay an unproportional burden for public facilities. The Single Tax Corporation accepted an offer from the new Organic School to buy the school building for \$2000. By August of 1909, with its options now limited, the town accepted the Corporation's offer of land and a building fund contribution of \$1000. The colony did, however, attach a condition to the conveyance that the land was to be used for school or municipal purposes only and could not be sold.⁴²

In the single taxers' minds, they were upholding the constitutional provision of free schooling by being so flexible with the town and making large contributions to the public school fund. But in reality, they were straying from the original intent of the experiment. The colonists gradually were allowing

⁴¹ Alyea, Fairhope, p. 141.

⁴² Courier, June 18, 1909.

financial considerations to weaken the complete demonstration of the single tax plan.

Another major financial burden on the colony was the water system. While the Single Tax Corporation was pleased to have the only waterworks system in Baldwin County, the system had been a financial nightmare, costing the colony greatly and not meeting expectations.⁴³ Although some wanted to convey the system to the town in 1908, many colonists were afraid of losing all the money they had already invested in the system, so the colony did not make the transfer until August of 1915. By then, Chas Las Flame, the former operator of nearby Foley's electric system, proposed to start a similar system for the town of Fairhope, which could be run in conjunction with the water system.⁴⁴ The waterworks had become such a financial hassle that the colonists agreed to the transfer, and a colony council vote of 18 to 2 conveyed the system to the municipality. The single taxers did not place any conditions on the transfer, as they had done with the streets and the school, but merely expressed the hope that the town would operate the system "to its best judgement for the benefit of the people."⁴⁵ While the town operated the water system municipally thereafter, it eventually allowed a private corporation to provide electricity.

Although these transfers were significant changes, the

⁴³ Alyea, Fairhope, p. 144.

⁴⁴ Courier, August 6, 1915.

⁴⁵ Ibid., August 20, 1915.

colony remained a strong influence in the community for the next several decades. The municipality would require some time to establish itself as the sole provider of public institutions. The colony still owned the wharf and the parks; it operated the public library and maintained the cemetery.⁴⁶ But in the late 1920's the Single Tax Corporation began to face serious financial problems. The Great Depression set in, and as rent receipts became less and less, the Corporation had to make some changes if it was to survive. In 1927, a highway was constructed across the north edge of the bay, connecting Fairhope with Mobile by bus. This hurt the wharf revenue tremendously; the pier, long a major source of funds for the Corporation, made only \$46 during 1929. Furthermore, in 1930 the state taxes were increased by \$775, forcing the single taxers to devise a way to ease their financial predicament. The colony looked to the municipality for relief.⁴⁷

At the 1931 annual meeting, the Corporation considered the possibility of transferring the park lands to the town.⁴⁸ The colony adopted a motion in favor of deeding the land to the municipality to escape paying the taxes, but opponents of the transfer maintained that this was inconsistent with the constitution: "Ample provision shall be made in platting the lands of the association for land for parks..."⁴⁹ The trustees of

⁴⁶ Minutes, FIA, June 13, 1916.

⁴⁷ Alyea, Fairhope, pp. 204-205.

⁴⁸ Ibid., p. 210.

⁴⁹ FIA Constitution, Article XIV.

the Corporation agreed with this interpretation, and were reluctant to deed the land away. Proponents of the transfer countered by attempting to amend the constitution, but this effort failed by a vote of 52 to 27. The attorney for the Corporation, James Webb, decided if the single taxers made a donation of the land to the town which included restrictions on the use of the parks, the transfer would be consistent with the constitution, so the colony council held a referendum asking the question, "Shall the action of the executive council, Monday, September 21, 1931, relative to the transfer to Town of Fairhope of park lands of the Corporation be approved?" While the trustees strictly disagreed with the proposals, the voters approved by a 46 to 3 margin the transfer.⁵⁰

The beach front area and the park which were deeded to the town were extremely important products of the Fairhope single tax venture. Public access to the area's most valuable lands was a feature that would not have come about without the single tax influence, and the Corporation placed several restrictions in the deed to ensure this aspect would never be changed. The deed stated that if ever the town stopped using the land as public parks, the property would be transferred back to the colony. The park was named "Henry George Park" and the Corporation was allowed to erect a suitable marker. The Single Tax Corporation also maintained that no private franchises should be granted

⁵⁰ Alyea, Fairhope, pp. 213-216.

for businesses to operate on the park land.⁵¹ The effect of these stipulations can easily be seen today; while the bay front property is well developed in either direction from Fairhope with private homes, condominiums, or hotels, the vast bay frontage at Fairhope remains a public park, operated solely by the city.

Soon after, the pier was deeded to the town as well, ridding the Single Tax Corporation of the financial worry that accompanied operating the wharf. The 1934 secretary's report announced a tax savings of over \$1,100 because of the transfers, and while that certainly helped the Corporation make it through the economical problems of the time, it left the colonist asking what had the Single Tax Corporation become.⁵² There was a large amount of regret that the assets of the colony had been given away. Residents now could not directly attribute to the single tax the area which served as the one of the central pleasures of the colony. A venture that had started out as a model community was now evolving into a corporation that only managed lands.

The Fairhope public library has a history as rich as the colony's, and the Single Tax Corporation helped finance it since its early years. Marie Howland, a colony resident whose late husband was Edward Howland, an avid intellectual and book collector, started the library.⁵³ The Howlands had long been

⁵¹ Alyea, Fairhope, pp. 217-218.

⁵² Ibid., p. 219.

⁵³ Harwell, Four Score Years, pp. 3-6.

interested in communitarian experiments and had lived for a while at the Topolobampo community in Mexico which had interested E. B. Gaston. When Mrs. Howland came to Fairhope in 1899, she became actively involved in colony life, assisting Gaston with the newspaper and writing letters to friends about the colony. She opened up her extensive book collection to the community and in her own home created the first version of Fairhope's public library. Mrs. Howland developed a numbering system for the books and volunteers built shelves to house the collection. In 1906, the Fairhope Single Tax Corporation began financing the library from the rent fund.⁵⁴

The Corporation built a library building to house the books and in 1908 Mrs. Howland donated her entire collection to the colony. Although the Fairhope library was unusually advanced for such a small community, it grew even better in 1921 when Mary Heath Lee became the first full-time librarian, with a salary paid solely by the Single Tax Corporation. Marie Howland died in 1921, but the legacy of her books would continue.⁵⁵ As a tribute to her influence, the colony later named one of the reading rooms "The Marie Howland Room".

The municipality of Fairhope gave free utilities to the library, but the colony's familiar pattern of transferring its public improvements to the town soon turned its attention to the library; many wanted the town to assume full responsibility. In

⁵⁴ Harwell, Four Score Years, p. 7.

⁵⁵ Ibid., pp. 9-10.

1923, the transfer of the library to the municipality was proposed to the town, which declined the offer. Nine years later, Axel Josephson offered to donate a large addition of books to the library if the town would assume operation, but the City Council again declined. The colony had enjoyed removing the burden of the parks and the wharfs, and now it was seeking to transfer the last remnant of the single tax improvements from the Corporation. But the town did not consider the library as valuable an asset, and the transfer did not occur until May of 1964.⁵⁶

So by 1964 the Fairhope Single Tax Corporation had relinquished all of its major community improvements to the town of Fairhope. The colony had become a land holding organization, free of any duties other than collecting rent and paying tenants' state and local taxes. But was the original purpose of the single tax experiment to reduce the colony to a neutral, impersonal landlord? In an essay E. B. Gaston published continuously in the Courier, he described the beneficial improvements the single tax provided:

All the rent fund remaining is expended locally for the public benefit in roads, schools, library, telephones, parks, bath-houses, etc., etc. ...[The colony] owns a water-works system (the only one in Baldwin County), with steam pumping plant and mains supplying the principle part of the town with water for domestic use and fire protection; and a local telephone system, with long distance connection.⁵⁷

The colony could now claim none of these improvements for its

⁵⁶ Harwell, Four Score Years, pp. 14-15.

⁵⁷ Courier, July 6, 1907.

own. It had given to the town the streets, the school, and the water system. The valuable beachfront area and parks were deeded to the town, along with the wharf. Even the library, which had demonstrated Fairhope's tradition of community learning and discussion of issues, was now municipally operated. Henry George's forecast of beautiful cities with tree-lined streets had been achieved in Fairhope, but the single taxers decided not to identify the improvements as products of George's plan.

Today, The Single Tax Corporation still operates in Fairhope. It is a substantial landholding corporation that leases lands according to the principles of the single tax. Tenants may still present tax receipts for payment of their rent, but most who deal with the Corporation know it as a landlord rather than a promoter of a philosophy. The Corporation teaches a few classes on George and the tax plan, but the hope of converting others by providing an example of the prosperity the single tax creates seems to have left the Corporation. Few residents are aware of the colonial aspects of the town's heritage. The colonists from Iowa did not intend the final product of their experiment to be an impersonal corporation, sparsely publicized and scarcely known. They hoped for publicity from a model community in which the single tax revenues financed public facilities and improvements. The early Corporation knew if the single tax was held responsible for the advanced facilities in the town, others would be attracted and conversion to the theory would be possible.

An argument that the colony could not begin to demonstrate successfully the single tax until it removed the colonial features of the organization neglects the founders' strategy and goals. Colonial features were precisely what E. B. Gaston was trying to achieve. He sought to establish a utopian community well before the Fairhope Industrial Association was formed.⁵⁸ The single taxers' plan fit well with Gaston's dream because it also focused on creating a model community, as an advertisement for the single tax. By transferring the public facilities to the town, the Corporation strayed from the original goals of the colonists and lost sight of the intended method of popularizing Henry George's theory.

From the outset, the colonists faced extreme adversities which made their plan more difficult to follow. They never were able to obtain a concentrated block of land large enough for the creation of a contained colony. Most of their holdings were outside the town, and the community had to grow around private land owners and non-subscribers of the single tax theory. Many members of the colony did not have a truly proficient understanding of the single tax. The colony had never experienced financial freedom and even with the help of several benefactors, many of the decisions were made according to the Corporation's budget. The colony never charged the full economic rent from its members, and the rent it did charge was often not

⁵⁸ Paul Gaston, Women of Fair Hope, p. 5.

paid.⁵⁹ The transfer of the park lands may have been completely unavoidable due to the deep effects of the depression. With the amount of political hostility and internal quarrels the colony experienced, its continued existence is a compliment to the founders' leadership and guidance.

But the fact that the colonists' original goals were not achieved still remains. The single tax was to be promoted through the strength of the model community. As the Corporation progressed, this fundamental feature of the plan was gradually ignored and the distinctiveness of the single tax community was lost. Imagine if the colony had retained its improvements and the public facilities of Fairhope were maintained by the financially improved Single Tax Corporation today. The public schools would not be suffering from the current lack of funds, but would be well supplied with needed materials and land. People would recognize the single tax revenue's responsibility for the extensive parks and beaches. A superior library would remind Fairhoppers daily that the single tax had improved the town. Visitors would be told of Henry George's theory when they admired the tree-lined streets. By forgetting the policy of maintaining communitarian features, the Corporation jeopardized the success of the experiment.

A transformation occurred in Fairhope with the incorporation of the town and the subsequent facility transfers. Mary Heath Lee's writing depicts the change accurately:

⁵⁹ Alyea, Fairhope, p. 260.

All too soon the village becomes the town, and our cherished local color, individuality, and quaintness blend and tone down until little remains to distinguish us from our neighbors.⁶⁰

Without the colonial features, Fairhope assimilated with other Southern towns. The colony became the Corporation, the community became the town, and the idea of the single tax lost prominence. By gradually transferring the colony's public assets to the town, ^(aspects) the single taxers gave away their most visible advertisements for their theory and diminished the hopes for sweeping changes in the country's land policy.

⁶⁰ Mary Heath Lee, Introduction to Poems by Scribbler's Society.

BIBLIOGRAPHY

- Alyea, Paul. E. and Blanche R. Fairhope, 1894-1954. New York: AMS Press, 1979.
- Bellamy, Edward. Looking Backward. New York: Houghton Mifflin Company, 1917.
- Chandler, Hatchett. Little Gems from Fort Morgan. Boston: The Christopher Publishing House, 1964.
- Fairhope Courier, 1894-1915.
- Fairhope Single Tax Colony Archives, Correspondence, 1890-1908.
- Gaston, E. B. "True Co-operative Individualism: An Argument on the plan of the Fairhope Industrial Association," Liberty Bell, April 28, 1894.
- Gaston, Paul M. Women of Fair Hope. Athens: The University of Georgia Press, 1984.
- George, Henry. Progress and Poverty. New York: Robert Schalkenbach Foundation, 1929.
- Harwell, Converse. Four Score Years. Fairhope: The Fairhope Single Tax Corporation, 1974.
- Lee, Mary Heath. Introduction to Poems by Scribbler's Society.
- Minutes, Fairhope Industrial Association, 1894-1916.
- U. S. Bureau of Commerce, Bureau of the Census, Manuscript Census, 1910, Baldwin County, Alabama, Precinct 10.